

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

April 6, 1999

FROM: CAROL SHEARER
Acting County Administrative Officer

SUBJECT: Position on Pending State Legislation
SB 288 (Peace) -- As Amended March 16, 1999

RECOMMENDATION: Oppose SB 288 unless amended. This bill would require each county to act as, or establish, an employer for in-home supportive services personnel by January 1, 2003.

BACKGROUND INFORMATION: Existing state law establishes the in-home supportive services (IHSS) program to provide personal care services and domestic assistance to eligible aged, blinded, and disabled individuals who would otherwise be unable to remain safely in their homes. The law authorizes counties to deliver IHSS through one or a combination of three modes of delivery: individual providers hired by the recipient; private agencies under contract with the county; or county employees.

In San Bernardino County, the Aging and Adult Services Department serves nearly 8200 IHSS recipients utilizing approximately 8000 individual providers. The county utilizes a modified individual provider mode of delivery. Through the use of IHSS coordinators, the Supported Individual Provider (SIP) program provides IHSS recipients with administrative assistance in their roles as employers and protects the recipient from exploitation and neglect.

A recent California Department of Social Services assessment of the County's IHSS program determined the overall effectiveness of the program to be very high. Additionally, a client survey conducted in 1997 found that approximately 94% of recipients described the quality of services they received as excellent or good.

SB 288 would prohibit the use of individual providers and would require the county to establish an employer of record for these IHSS providers. This action would have a serious fiscal impact on the County. The intent of this measure is to offer IHSS workers the option of collective bargaining to improve wages and establish benefits. Under the current version of the bill, the enormous fiscal risk associated with these wage and benefit costs would be borne entirely by the County.

Record of Action of the Board of Supervisors

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The Department of Aging and Adult Services recommends the Board of Supervisors take an oppose unless amended position on SB 288. The recommended amendments would require the state to pay any increases in employer related costs imposed by the bill or as alternative, establish the State, not counties, as employer of record for IHSS providers.

FINANCIAL IMPACT: Counties currently pay 35% of non-federal costs in the IHSS program and the state pays 65% up to the minimum wage. Funding for wages or benefits beyond the minimum wage must be provided by 100% county funds. For illustration purposes, assume through collective bargaining efforts, providers were successful in negotiating a \$1 an hour salary increase. Under the current provisions of SB 288, this \$1 per hour increase would cost the county \$5.4 million annually. To fund this program the county would have to decrease the amount of services provided to IHSS recipients or reduce other social programs funded from realignment revenues. Since no additional revenues are being proposed in SB 288, the bill establishes a shell game with existing county resources.

SUPERVISORIAL DISTRICT(S): All

PRESENTER: Darren Kettle